



John A. Carey
Inspector General

OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY



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“Enhancing Public Trust in Government”

Audit Report

2021-A-0004

Interlocal Agreement for Law Enforcement Services between Palm Beach County and the Town of Jupiter

April 20, 2021



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AUDIT REPORT 2021-A-0004

DATE ISSUED: APRIL 20, 2021



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INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT SERVICES BETWEEN PALM BEACH COUNTY AND THE TOWN OF JUPITER

SUMMARY

WHAT WE DID

We conducted an audit of the Interlocal Agreements for Law Enforcement Services between Palm Beach County (County) and the Town of Jupiter (Town) related to the County's Manatee Protection Plan. This audit was performed as part of the Office of Inspector General, Palm Beach County (OIG) 2020 Annual Audit Plan.

Our audit focused on the Town's reimbursement requests to the County under the Interlocal Agreements in effect from November 1, 2013 through March 31, 2019 (the Interlocal Agreements relevant to the audit period will be known collectively as "Agreement").

WHAT WE FOUND

We found that the Town and County have generally adequate controls over the Agreement reimbursement requests.

However, we found the Town and County lacked adequate review and oversight to detect errors and when required supporting documentation was missing from the reimbursement requests. As a result, not all reimbursement requests complied with the Agreement.

Agreement Documentation

We tested the 28 monthly invoices submitted to the County from November 1, 2013 – March 31, 2019 and found that three (3) of 26¹ monthly invoices that included warnings/citations (12%) did not include documentation for all of the warnings issued to boaters by the Town officers, as required by the Agreement.²

The County approved payments for the reimbursement requests that did not have the Agreement's required supporting documentation.³

Additionally, several monthly invoices the Town submitted to the County for payment

¹ No warnings or citations were issued during January 2018 and March 2019, according to the Standard Marine Enforcement Monthly and Daily Reports, respectively, that were included with the invoices submitted. Therefore, this requirement was not applicable for the review of two (2) of the 28 invoices.

² The Town provided us with six (6) of the ten (10) total missing written warnings upon request during the audit. There were four (4) written warnings noted on officers' daily detail logs that could not be located by the Town.

³ We did not make a recommendation to the County for this issue because it is the same issue that was noted in OIG Audit Report 2019-A-0011 addressed by Recommendation #9. The County accepted and implemented that recommendation.

contained errors and discrepancies between the number of hours for which the Town sought reimbursement and the number of hours the Town actually paid the officers to work.

WHAT WE RECOMMEND

Our report contains one (1) finding and one (1) recommendation. Implementation of

the recommendation will help the Town ensure compliance with Agreement requirements.

The Town concurred and accepted the recommendation.

We have included the Town's management response as Attachment 1.

BACKGROUND



Town of Jupiter

The Town was incorporated in 1925, and the Charter of the Town was enacted by the Florida Legislature by Special Acts 1953. Subsequently, the Town Council adopted Ordinance Number 58-96 on December 3, 1996, under the provisions of the Home Rule Powers Act of the State of Florida, enacting the Amended Charter of the Town, which was ratified by the vote of the electors at a special election on March 10, 1998.

The Town operates under the Council-Manager form of government. Policy making and legislative authority are vested in the Town Council that consists of the Mayor and four other Council Members. The Town Manager is appointed by the Town Council and is responsible for carrying out the policies and ordinances established and approved by the Town Council and managing day-to-day activities of the Town.

The Town is located on the Atlantic Ocean in northern Palm Beach County and has approximately 63,188 residents.



County's Environmental Resources Management

The County's Environmental Resources Management Department (ERM) administers a range of environmental programs designed to protect, preserve, and enhance the County's natural resources, both on land and on water.

ERM is charged with monitoring the agreements with local law enforcement partners to assist with manatee protection, boater education and safety, and speed zone enforcement during manatee season.

Agreement Background

On August 21, 2007, the Board of County Commissioners approved a Manatee Protection Plan (program) that provides for increased law enforcement presence in the County's waterways, as one means to provide greater manatee protection.

On December 18, 2007, the Board of County Commissioners approved Resolution 2007-2277 with a standard form Interlocal Agreement with law enforcement agencies for an increased law enforcement presence in the estuarine waters of the County during manatee season. Manatee season begins annually November 15 and ends the following March 31. The County amended the standard form Interlocal Agreement on August 19, 2014 through Resolution 2014-1193.

The County and the Town entered into successive versions of the Interlocal Agreement on August 22, 2011, September 16, 2014, and October 25, 2018. The Town agreed to provide marine law enforcement services within the geographical area over which it had jurisdiction to enforce the law.

The County agreed to reimburse the Town for law enforcement services at a specified rate per hour, per officer for on-water enforcement activity and approved court proceedings. Reimbursement included the cost of salaries, fringe benefits, and all other services and expenses incurred by the Town in the fulfillment of the Agreement. Hours worked by officers under the Agreement were special duty assignments separate from their regular work shifts.

The Agreement provided that the total amount paid by the County to the Town could not exceed the total amount set annually by the County by October 1st of each year, as defined in an award letter. The Town was awarded up to \$91,583.75 for additional on-water law enforcement services under the Agreement for the period audited, and the County reimbursed the Town \$78,049.75.

Award year	Amount Awarded	Amount Distributed
2013-2014	\$17,000.00	\$16,931.25
2014-2015	\$16,660.00	\$16,056.00
2015-2016	\$15,853.75	\$14,087.50
2016-2017	\$16,660.00	\$15,400.00
2017-2018	\$14,000.00	\$10,587.50
2018-2019	\$11,410.00	\$4,987.50
Total	\$91,583.75	\$78,049.75

The Agreement required the Town to provide documentation of warnings and citations issued to violators by the Town with its reimbursement requests to the County. The chart below lists the number of citations and warnings issued by Town officers while performing law enforcement services under the Agreement for the period audited.

Award Year	Number of Citations Issued	Number of Warnings Issued	Total Citations and Warnings Issued
2013-2014	1	34	35
2014-2015	0	53	53
2015-2016	1	39	40
2016-2017	0	38	38
2017-2018	3	20	23
2018-2019	0	4	4
Total	5	188	193

The Fiscal Year (FY) 2020 Annual Audit Plan had multiple entities selected for Contracts/Agreements. The OIG selected the Town for audit because the Town reported

minimal citations and warnings issued in conjunction with the Manatee program compared to other Manatee program participants and total hours on the water.

OBJECTIVES, SCOPE, AND METHODOLOGY

The overall objectives of the audit were to determine whether:

- The program was operating as intended;
- There were adequate controls for the program including over receipt and distribution of funds;
- Expenditures were eligible for reimbursement under the Agreement; and
- The program was managed according to regulations and requirements.

The audit scope included reimbursement requests and supporting documentation from November 1, 2013 (FY 2014) through March 31, 2019 (FY 2019).

The audit methodology included but was not limited to:

- Completion of data reliability and integrity assessment of related computer systems;
- Review of policies, procedures, and related requirements;
- Performance of process walk-throughs and review of internal controls;
- Interview of appropriate personnel;
- Review of records, reports, contracts, and agreements; and
- Performance of detailed testing of selected transactions.

As part of the audit, we completed a data reliability and integrity assessment for the computer systems used by the Town for dispatch activities, payroll processing, and records management. We determined that the computer-processed data contained in the computer systems was sufficiently reliable for purposes of the audit.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

FINDING AND RECOMMENDATION

Finding (1): The Town's invoices did not always include warning documentation as required by the Agreement and contained errors and discrepancies between hours the Town invoiced to the County for reimbursement and the hours the Town paid to officers as reflected in payroll documentation.

The agreements dated August 22, 2011 and September 16, 2014, state,

4) Responsibility of Town

...

- E. The Town shall submit invoices for payment to the County on a monthly basis. **Invoices shall include** a reference to this Agreement, identify the amount due and payable to the Town, and include **records sufficient to substantiate the costs incurred**. Invoices shall be in sufficient detail for pre-audit and post-audit review. **The Town shall provide the following information with the invoice:** Standard Marine Enforcement Monthly Report Form (form to be provided by the County); **documentation of warnings and citations issued to violator by the Town;** and **monthly payroll documentation for hours worked by any officer who performs services** under the terms of this Agreement. Unless explicitly requested by the County, the County will not reimburse the Contractor for the presence of more than one officer per boat. [Emphasis added]

The agreement dated October 25, 2018 reflected much of the language in the 2011 and 2014 agreements, with some renumbering and modifications, to include Exhibit B Payment Request and Exhibit C Marine Services Contract Standard Marine Enforcement Daily Report Form. The 2018 agreement states,

4) Responsibility of Contractor

...

- E. The Contractor shall submit invoices for payment to the County on a monthly basis. **Invoices shall include** a reference to this Agreement, identify the amount due and payable to the Contractor, and include **records sufficient to substantiate the costs incurred**. Invoices shall be in sufficient detail for pre-audit and post-audit review (Exhibit B). **The Contractor shall provide the following information with the invoice:** Standard Marine Enforcement Daily Report Form (Exhibit C); **documentation of warnings and citations issued to violators by the Contractor;** and **monthly payroll documentation for hours worked by any officer who performs services** under the terms of this Agreement. Unless explicitly requested by the County, the County will not reimburse the Contractor for the presence of more than one officer per boat. [Emphasis added]

We tested all Town invoices submitted to the County for reimbursement from November 1, 2013 through September 30, 2019 to determine whether the invoices were accurate, adequately supported, and in compliance with the terms of the Agreement. We noted the following discrepancies:

- Three (3) of 26⁴ (12%) monthly invoices that included warnings/citations did not include documentation for all of the warnings Town officers issued to boaters, as required by the Agreement.⁵
- Six (6) of 28 (21%) monthly invoices requested the incorrect reimbursement amount due to calculation errors.
- Four (4) of 28 (14%) monthly invoices had discrepancies between the invoiced "Total Hours Worked" and the supporting payroll documentation of Manatee Detail overtime hours for the period.
- Four (4) of 28 (14%) monthly invoices had a discrepancy between the date of an officer's assignment that was invoiced to the County and the date of the assignment in the Town's payroll system records.

The County approved payments for the invoices that did not have the Agreement required supporting documentation.⁶

We noted no missing written warnings after the first two (2) years of the Agreement, so it appears that issue has been resolved.

Additionally, the County identified and corrected the calculation errors and "Total Hours Worked" discrepancies so that the correct amount was reimbursed to the Town based on the hours worked, as supported by payroll documentation, and the Agreement rate.

It appears the officers entered the incorrect date worked on their original Leave/OT Accrual forms⁷ and that the officers' supervisors did not identify the error upon their review and approval of the forms. As a result, the incorrect date worked was entered into the payroll system. In two (2) instances, it appears a corrected Leave/OT Accrual form was submitted to the County.

The Town's invoicing process does not include an independent review. The individual preparing the payment request package to submit to the County also approves the payment request, which increases the risk of errors. As a result, the Town's invoices did

⁴ No warnings or citations were issued during January 2018 and March 2019, according to the Standard Marine Enforcement Monthly and Daily Reports, respectively, that were included with the invoices submitted. Therefore, this requirement was not applicable for the review of two (2) of the 28 invoices.

⁵ The Town provided us with six (6) of the ten (10) total missing written warnings upon request during the audit. There were four (4) written warnings noted on officers' daily detail logs that could not be located by the Town.

⁶ We did not make a recommendation to the County for this issue because it is the same issue that was noted in OIG Audit Report 2019-A-0011 addressed by Recommendation #9. The County accepted and implemented that recommendation.

⁷ The Town used Leave/OT Accrual forms to document overtime hours worked under the Agreement and manually entered the overtime hours into the payroll system (MUNIS) for payment. The Town submitted approved Leave/OT Accrual forms as the payroll documentation to substantiate the hours worked under the Agreement.

not always comply with the Agreement when providing copies of warnings, requesting the proper reimbursement amount, nor when reporting the hours worked accurately based on the payroll documentation provided.

A lack of adequate review and oversight increases the risk for errors and non-compliance with the Agreement.

Recommendation:

(1) The Town implement a review and oversight process to ensure:

- a. **All required supporting documentation, including but not limited to warnings and citations, is included with the invoice.**
- b. **The invoice reflects the correct reimbursement amount based on the Agreement rate and supporting payroll documentation.**
- c. **The officers' Leave/OT Accrual forms reflect the correct date worked prior to the supervisor's approval.**

Management Response:

The Town concurs. Should the Town of Jupiter enter into a subsequent Inter-Local Agreement with the County in this matter, we will implement the recommendation of an additional level of oversight and review of documentation prior to submission to the County.

ACKNOWLEDGEMENT

The Inspector General's audit staff would like to extend our appreciation to the Palm Beach County Environment Resources Management's staff and the Town of Jupiter's staff for their assistance and support in the completion of this audit.

This report is available on the OIG website at: <http://www.pbcgov.com/OIG>. Please address inquiries regarding this report to the Director of Audit by email at inspector@pbcgov.org or by telephone at (561) 233-2350.

ATTACHMENT

Attachment 1 – Town of Jupiter's Management Response

ATTACHMENT 1 – TOWN OF JUPITER'S MANGEMENT RESPONSE

Jupiter Police Department



David E. England, Chief of Police

April 15, 2021

Ms. Hillary Bojan, Director of Audit
Office of Inspector General, Palm Beach County
PO Box 16568
West Palm Beach, Florida 33416-6568

RE: Audit Report 2021-A-0004

Dear Ms. Bojan,

The Town of Jupiter has received the draft Audit Report related to the Inter-local Agreement for Law Enforcement Services between Palm Beach County and the Town of Jupiter (aka Manatee Program). After review of this document, the Town concurs with the single finding contained within the report. Should the Town of Jupiter enter into a subsequent Inter-Local Agreement with the County in this matter, we will implement the recommendation of an additional level of oversight and review of documentation prior to submission to the County.

Sincerely,

David E England
Chief of Police